Remarks/Arguments

Reconsideration of this Application is requested.

Claims 1-6, 9 and 10 have been rejected by the Examiner under 35 USC § 103 (a) as being unpatentable over Lebda et al. (U.S. Patent 6,385,594) in view of Keen et al.. (U.S. Patent 5,774,882).

Lebda discloses the following in line 58 of col. 1 – line 17 of col. 2

> "To achieve these and other objects of the invention, there is provided a method and apparatus for coordinating an electronic credit application between an Internet user and a plurality of lending institutions via the Internet. The method comprises the steps of displaying a plurality of documents to an Internet user, receiving a plurality of credit data sent from the Internet user; matching an electronic credit application to a filter comprising a plurality of selection criteria; transmitting the credit data to a plurality of lending institutions via one of four methods; and responding to the Internet user via the Internet. The documents sent to the Internet user includes a series of questions pertaining to their desired loan, followed by the appropriate type of loan application. The various types of loan applications include first and second mortgages, car loans, student loans, personal loans, and credit card applications. Other types of credit applications may exist without departing from the spirit of the invention. Upon completion of the application, the invention matches a unique filter to the credit data entered by the Internet user.
>
> The filter is made up of a plurality of selection criteria in which a specific lending institution has given to the inventor. The filter is customizable by the specific lending institution in real time and unique to each lending institution. Once the application has been filtered, it is sent to a list of lending institutions that match with the credit application. These lending institutions then reply as to whether the application has been accepted or rejected."

Lebda performs a credit check on someone when they apply for a loan or financial product.

Keen discloses the following in line 48 of col. 3 to line 17 of col. 4.

> "If the credit application is a corporate application, the application information is sent to the corporate queue 90 for processing. The fact that the application 45 is a corporate application is sent to tallies 190 to be tabulated and recorded. Preferably a database program can tabulate and store this data on the system memory for future applications and audits. Preferably, the final

decision whether to grant a corporate application would be the Corporate Manager's responsibility. therefore it is not processed in the same manner as individual applications. However, the application information is stored in the system, and a credit report from a nationwide credit bureau 130 may be accessed and matched with the application information. Each credit report is kept on line and active until a final decision is made. This serves to speed the decision making process for corporate applications by correlating important credit history information and making that information easily available to those terminals connected to the system.

If the application is from an individual, discrepancies between the post mark and the mailing address 100 are checked by the main system processor 10. The application's post marked envelope is scanned by scanner 40 and OCR unit 42. The envelope contains only one AOI region of interest. That area is the postmark area in the upper right corner of the envelope. The scanned and OCR-converted postmark is compared to the mailing address. A discrepancy would be found if the postmark was from California, but the applicant's mailing address was listed as being New York. If there is such a discrepancy between the post mark and the mailing address, the system processor 10 will prompt the mail room to write the postmark's origin or otherwise put the postmark on the application 110. The main processor preferably sends the digitally scanned images of both the scanned application and the post mark to security terminal 20 to verify the existence of any attempt at fraud in the application. Verified fraud 120 would be established after locating and talking with the suspected victim."

Keen performs a credit check on an application for credit.

Neither Lebda or Keen taken separately or together disclose or anticipate steps b-f of claim 1, namely (b) assessing a credit authorization request from a system user, wherein said request is initiated by a use of said financial product;

(c) utilizing a predictive modeling routine to perform said assessment; ;(d) accepting or declining said credit authorization request as based upon an outcome of said assessment; (e) downloading an assessment result to said data processing system for transfer to a database accessible by one or more remote nodes of said system; and (f) applying a fraud indicator to each assessment and wherein said fraud indicator is selected from a list of fraud indicator and wherein each of said fraud indicator on the list is representative of a defined area of risk.

The cited art is not concerned with accessing the risk of a financial product when the request is initiated by the use of the financial product as claimed in paragraph b of claim 1.

The Examiner indicated the following in page 5 of the Final Rejection.

"Regarding claims 11-14, Lebda et al. do not explicitly disclose benchmarking risk management effectiveness by determining fraud loss ratios, including the ratio of fraud loss to any of portfolio maturity, volume of total sales, or total charge-offs. However, benchmarking risk management effectiveness by determining fraud loss ratios, including the ratio of fraud loss to any of portfolio maturity, volume of total sales, or total charge-offs, is certainly well known to those of ordinary skill in the art, and official notice to that effect is hereby taken. Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to have modified the method of Lebda et al., so as to include benchmarking risk management effectiveness by determining fraud loss ratios, including the ratio of fraud loss to any of portfolio maturity, volume of total sales, or total charge-offs, as is well known to do, in order to track and understand the effectiveness of the risk management program, since so doing could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results."

The specific benchmarking risk of determining fraud loss ratio to benchmark risk management effectiveness (claim 11), measuring fraud losses as a function of portfolio maturity (Claim 12); measuring fraud losses as a function of volume total sales (claims 13) and determining a contribution of fraud losses in total charge offs (claims 14) have not been disclosed by the cited art.

In view of the above claims 1-14 are patentable. If the Examiner has any questions, would he please call the undersigned at the telephone number noted below.

Please charge any additional fees or credit any overpayment to Deposit Account Number 16-1885.

Respectfully submitted,

/Ronald Reichman/
Ronald Reichman
Reg. No. 26,796
Attorney of Record
Telephone (203) 924-3854

PITNEY BOWES INC.
Intellectual Property and
Technology Law Department
35 Waterview Drive
P.O. Box 3000
Shelton, CT 06484-8000